UNITED NATIONS

A

General Assembly

Distr.
LIMITED

A/AC.115/L.685
30 July 1992

ORIGINAL: ENGLISH

SPECIAL COMMITTEE AGAINST APARTHEID

REPORT OF THE SEMINAR ON SOUTH AFRICA'S SOCIO-ECONOMIC PROBLEMS: FUTURE ROLE OF THE UNITED NATIONS SYSTEM IN HELPING TO ADDRESS THEM, HELD AT WINDHOEK FROM 22 TO 24 MAY 1992

CONTENTS

		Paragraphs	Page
INTRODUCTION		1 - 5	3
I.	AGENDA	6	4
II.	OFFICERS	7	4
III.	PARTICIPANTS	8 - 10	4
IV.	DOCUMENTATION	11	5
V.	PROCEEDINGS	12 - 48	5
	A. Opening meeting	14	5
	B. Workshop discussions	15 - 45	6
	C. Closing meeting	46 - 48	13
VI.	CONCLUDING OBSERVATIONS	49 - 50	14

Annexes

I.	Statements at the opening meeting	16
	A. Opening statement by Mr. Theo-Ben Gurirab, Minister for Foreign Affairs of the Republic of Namibia	16

CONTENTS (continued)

Page

B. Keynote address by Mr. Ibrahim A. Gambari (Nigeria), Chairman of the Special Committee against Apartheid 18

C. Statement by Mr. Johan Nordenfelt, Representative of the Secretary-General and Director of the Centre against Apartheid 24

D. Statement by Mr. Tebogo Mafole, Representative of the African National Congress of South Africa 25

E. Statement by Mr. Sipho Shabalala, Representative of the Pan Africanist Congress of Azania 28

II. List of participants 33

III. List of documents 39

INTRODUCTION

1. In April 1992, the Administrative Committee on Coordination adopted decision 1991/7, which established guidelines for a coordinated approach by the United Nations system on issues related to South Africa (see A/46/648, annex II). It requested the Centre against Apartheid to prepare, in consultation with interested agencies and regional organizations concerned, a preliminary assessment of the possible implications of political evolution and of the economic and social needs of low-income populations in South Africa.

2. In paragraph 2 of its resolution 46/79 B of 13 December 1991, the General Assembly endorsed the recommendations contained in paragraph 201 of the report of the Special Committee against Apartheid, 1/ thereby authorizing it to continue mobilizing international action against apartheid, inter alia, through missions, hearings, conferences, publicity and other pertinent activities. The Special Committee included in its programme of work for 1992 the organization of a seminar on South Africa's socio-economic problems and the future role of the United Nations system in helping to address them.

3. In accordance with the above, the Special Committee and the Centre organized a seminar at Windhoek, Namibia, from 22 to 24 May 1992. The Seminar was hosted by the Government of Namibia.

4. In order to coordinate activities of the United Nations system in relation to South Africa, the Centre organized the following meetings in preparation of the Seminar: (a) on 1 and 2 October 1991, major United Nations bodies, specialized agencies and offices met to exchange information on present and planned activities concerning South Africa and to discuss the objectives and the format of the Seminar; and (b) on 20 and 21 February 1992, a preparatory meeting was held at United Nations Headquarters, which made recommendations on the Seminar's agenda, background documentation and structure. South African experts participated in the preparatory meeting.

5. The objectives of the Seminar were:

(a) To define the scope of the socio-economic needs of the disadvantaged population and to identify priorities in that respect, as well as broad policy orientations for future assistance by the United Nations system;

(b) To provide a forum within which prominent South Africans involved in socio-economic policy issues and senior representatives of the United Nations system could engage in a dialogue on economic development for South Africa;

(c) To contribute to the preparation and planning of future assistance by the United Nations system in areas of social and economic development, particularly in health, housing, education, employment and poverty alleviation.

I. AGENDA

6. The agenda of the Seminar was as follows:

1. Socio-economic needs of the population and identification of priorities in that respect.

2. Assessment of present and future assistance of the United Nations system in regard to those needs in the context of a new national economic development policy.

3. Institutional framework and the process within which the assistance of the United Nations system is to be delivered.

4. Mobilization of financial resources for future assistance to South Africa.

5. Conclusion.

II. OFFICERS

7. The Seminar was chaired by Mr. Ibrahim A. Gambari (Nigeria), Chairman of the Special Committee. Mr. Suresh K. Goel (India), Rapporteur of the Special Committee, was also Rapporteur of the Seminar.

III. PARTICIPANTS

8. Some 90 participants and observers attended the Seminar. A list of these participants can be found in annex II to the present report. Participants included about 35 representatives of major United Nations bodies, specialized agencies and offices, and about 30 South Africans who were either representatives of the African National Congress of South Africa (ANC), the Pan Africanist Congress of Azania (PAC), the Congress of South African Trade Unions (COSATU), or experts from universities, industrial and banking agencies and other organizations and institutions involved in social and economic analysis and policy planning. These experts participated in the meeting in their personal capacity.

9. The Special Committee was represented by its Chairman, Mr. Ibrahim A. Gambari (Nigeria), its Rapporteur, Mr. Suresh K. Goel (India), Ms. Chipo Zindoga (Zimbabwe), Mr. Soufiane Mimouni (Algeria) and Mr. Muntari A. Kaita (Nigeria).

10. Representatives of the Diplomatic Corps and of intergovernmental and non-governmental organizations participated as observers.

IV. DOCUMENTATION

11. United Nations bodies, specialized agencies and offices as well as the Centre against Apartheid provided a number of documents for the Seminar, particularly background documents and briefs especially prepared for the occasion. In addition, documents, papers and other materials presented by participants were circulated at the Seminar (see annex III to the present report).

V. PROCEEDINGS

12. The work of the Seminar was conducted in plenary meetings and three workshops. The workshops focused on the following issues:

(a) Workshop I: "Socio-economic needs of the disadvantaged population and identification of priorities";

(b) Workshop II: "Capabilities of the United Nations system in technical assistance";

(c) Workshop III: "Institutional framework for delivering United Nations assistance and mobilization of financial resources".

13. The workshops were moderated respectively by Prof. Francis Wilson (South Africa), Mr. David McAdams, United Nations Development Programme (UNDP) and Prof. David Lewis (South Africa). Panelists assisted the moderators in introducing background papers and in conducting the discussions.

A. Opening meeting

14. The Seminar was opened on 22 May 1992 by Mr. Theo-Ben Gurirab, Minister for Foreign Affairs of the Republic of Namibia, who welcomed members of the diplomatic corps, participants, observers and other guests. Mr. Gambari, Chairman of the Special Committee, delivered the keynote address. Mr. Johan Nordenfelt addressed the participants in his capacity as representative of the United Nations Secretary-General and Director of the United Nations Centre against Apartheid. Statements were also made by Mr. Tebogo Mafole, representative of ANC and Mr. Sipho Shabalala, representative of PAC (for the text of the statements, see annex I to the present report).

B. Workshop discussions

Socio-economic problems

15. Participants agreed that apartheid structures, policies and practices had created deep-seated and critical socio-economic problems in South Africa, the solutions to which required a new approach at the development policy level. Among the many negative characteristics of apartheid was the fact that the majority of the population had been excluded from the policy-making process and that their socio-economic needs had not been properly addressed. It was a matter of urgency to promote policy changes that would make it possible to address decisively those two issues. In order to do so, the first priority was to solve the political situation, particularly the problem of violence which created a climate of insecurity harmful to development initiatives and projects. The second priority was to formulate a new development strategy with the full participation of the population and oriented towards meeting its basic needs. In that context, it was the view of participants that education, health, housing and employment constituted broad priority areas. It was also considered that the need for a development programme that would accommodate the so-called marginalized youth was one of the greatest challenges for a future democratic Government.

16. The participants recognized the importance of grass-roots organizations that had assisted communities, not only to resist the oppressive apartheid policies, but also to promote their social and economic development interests, particularly in education, health, housing, water supply and sanitation. Those organizations had been participating in a number of development forums to discuss policies and projects, and their implementation. The local and national development forums constituted an important aspect of the development process in South Africa, since they were the principal way through which the population could participate in the elaboration of a development strategy that would take into account their needs, concerns and aspirations.

17. In the area of education, participants noted the profound imbalances between the education for Black and White pupils, in both qualitative and quantitative terms. These imbalances had been abundantly documented in recent studies and reports. Participants underlined particularly the following. The educational system for Blacks had been strongly influenced by the legacy of the Bantu education which was conceived as an inferior education and which, for example, did not give sufficient importance to essential subjects such as mathematics and science. Furthermore, many teachers of Blacks were not sufficiently trained, thereby compounding the difficulties faced by their pupils. The failure of the educational system for Blacks could be measured by drop-out rates, matriculation results and illiteracy rates. In addition, there was mismanagement of educational resources as evidenced by the unemployment of many Black teachers, although a lack of teachers existed; thousands of White teachers were made to retire rather than teach in desegregated schools.

18. The participants agreed on the urgent need for a significant policy and administrative reform of the educational system. Such a reform would address, among other things, the major source of waste represented by the costs of managing all the different government departments dealing with education. It was preferable to spend the resources on the improvement of educational facilities, curriculum or research. One of the most important challenges at present and in the future was to create a new and unitary education system that would be based on a new curriculum promoting democratic values and would provide equal educational opportunities for all.

19. In respect of health, participants agreed that South Africa was facing a major crisis as shown by the comparison between the respective health situation of the Black and White communities in terms of infant mortality rates, and the impact of preventable and curable diseases such as tuberculosis. That situation was a reflection both of the general health status of the population and of the health care system. The health status was itself directly related to the socio-economic situation of the population and, for example, to the access to appropriate housing, sanitation and the basic supporting infrastructure and transportation, all of which were manifestations of glaring imbalances among the communities. The health care system and its financing were characterized by profound disparities reflecting themselves in the allocation of doctors, nurses, medical facilities and hospital beds.

20. In addition, there was a problem of delivery, since the medical services most needed by the population were either not available or too costly. These problems were particularly obvious in examining the patterns of distribution of medical facilities among urban and rural areas. While the existing facilities - even in urban areas - could provide the basis for some social redistribution it would be limited by the range of service available or by the capacity to pay for private medical facilities. The latter limitation had substantially increased as a result of the privatization policy of medical facilities by the authorities. In newly desegregated hospitals registration of Blacks remained very low, e.g., because of the cost of access or the hurdles still maintained by a bureaucracy that did not apply wholeheartedly the officially stated new policy.

21. The fragmentation of the health care system was a particularly serious problem. In addition to the ethnic and racial fragmentation, which had resulted in 14 different ministries for health, other cleavages in respect of health services, regional distribution, and public versus private facilities existed. Participants noted that the current policy debate on health in South Africa was revolving around the issues of establishing a national health system, a new emphasis on primary health care and the coexistence of redefined public and private sectors. Other important issues were the consolidation of the various medical aid schemes into a national health service framework, and the need to channel sufficient resources to support new policies, as for example, in the fields of primary care, maternal child care and special health services for workers.

22. Concerning the housing crisis, participants agreed that it had reached dramatic proportions, and that the growing population pressures could only aggravate the situation in the absence of a new policy. In order to meet the housing requirements of the next 10 years, a minimum of 340,000 units had to be built annually over the same period. Of that number, around 80 per cent had to be allocated to Blacks. Since that figure was hardly approached, there would inevitably be an increase of informal settlements, in which 7 million people were already living. Over the years, an explosive situation of overcrowding, squatting and pressures on the supply of electricity, water and basic social services had developed in the Black townships.

23. The situation in housing was the result both of the lack of resources and of decades of policy neglect of the needs of Blacks who were considered migrant labourers in South Africa. However, a new policy awareness emerged resulting in some positive initiatives such as the creation of the Independent Development Trust. The private sector had also been encouraged to be involved, although constructing housing in violence-torn areas was perceived as risky. Yet, all these positive developments did not measure up to the importance of the housing challenge. It was considered that the housing sector suffered from a lack of planning and resources, and, most importantly, from a lack of a national strategy. Massive waste was due in part to the duplication of activities and institutions.

24. The participants agreed on the importance of the issue of employment in South Africa, and the need to evolve an economic policy that was conducive to job creation. It was emphasized that the best way to empower individuals was to provide them with opportunities for gainful employment and training. Benefits from it would assist in meeting their social needs, for example in education, health and housing, on a self-sustained basis. While combating poverty would involve special programmes of support and of subsidization, it was felt that the true alleviation of poverty also required an overall economic policy that would generate growth and employment.

25. Participants were of the view that the problems encountered in industry and agriculture by Blacks pursuing or seeking self-employment had to be addressed; among the issues of concern were measures to facilitate ownership of the means of production, training for small business administration and management, access to credit and technology, assistance from export-import banks, and assistance to joint ventures. That was also the need to ameliorate conditions of access to, or of maintenance of activities in, agriculture. That would not necessarily warrant large-scale farming but rather support for small-scale farming as a means of improving employment and production and, in some cases, as a source of complementary income.

Debate on policy responses

26. The participants noted that the debate on, and formulation of, the economic development policy was still in progress in South Africa, and that the positions of the main discussants were not fully settled. Nevertheless, there were already large areas of agreement, such as on the need for a

profound restructuring of the social and economic sectors to remove the structural deficiencies and imbalances induced by apartheid. A number of different perspectives on the modalities of the restructuring were discussed, and many common aspects agreed upon by participants.

27. In one of them, structural deficiencies generated by apartheid were so serious that South Africa needed to restructure its economic and social sectors with a view to promoting directly and simultaneously growth and redistribution. The objective of growth would require, among other things, a restructuring of industrial production and trade and more generally of the economy so that it was more responsive to the needs of the disadvantaged population. Promoting redistribution would apply also to social services, such as large public works programmes directed at housing and infrastructure (kick-start growth). Furthermore, there was a need to have a better distribution of productive assets in agriculture, mining and industries. Within that framework of pursuing growth through redistribution, it was recognized that there was a need to assess carefully the macroeconomic impact of any future policy of recovery. Finally, a new strategy of economic development in South Africa would be viable only if it was integrated in a southern African context.

28. Another perspective on economic development was built around industrialization and the empowerment of those who had so far been excluded from the economic decision-making process and were restricted to being consumers or employees. In that approach, it was also necessary to restructure the economy, but a kick-start growth programme was not found appropriate. Recovery and sustained growth would best be served by upgrading technological capabilities in the secondary and tertiary sectors, by empowering those who had been marginalized and by strengthening an effective domestic demand. An important aspect of that policy was to promote African entrepreneurship.

29. Yet, the best way to combat the stagnation of the South African economy was to design a new growth path. For such a purpose, there was a need for a new development policy, which, because of the existing fragmentation, had to be an integrated policy. The role of the community-based grass-roots organizations and of the various negotiating forums in the elaboration of a new development strategy and its implementation was recognized to be important. Those organizations played an important role at the local and national levels as well as in key sectors of the economy. It was noted that some urban-based organizations had established community action plans that integrated the key interrelated aspects of urban planning and socio-economic development. Concern had been expressed in business circles that economic issues were not given sufficient importance at present. While a number of important provisions had been agreed upon at the Convention for a Democratic South Africa (CODESA), there was no mechanism to assess their economic implications.

30. Participants emphasized the need for a strong policy of affirmative action that would, for example, promote the accession of Black executives in

decision-making positions on the boards of major enterprises. Efforts had to be made to ensure that Black entrepreneurs were given the opportunity and incentives to bid for public contracts. The need was stressed for a comprehensive national programme of redress.

31. The fragmentation of the State apparatus, which sometimes had led to the virtual paralysis of the State in important areas of socio-economic development, and to the breakdown of development programmes and projects was also addressed. Recently, for example, some major electrification projects had failed because of the lack of coordination between government bureaucracies. It was essential to coordinate programmes and activities and to adopt integrated policies.

Mobilization of resources

32. The amount of resources allocated to meet the socio-economic needs was recognized to be important, although it was stressed that there were equally important issues, such as the delivery system of social services and the discrepancies between the services offered and the needs of the population. It was pointed out that the mere increase of resources with the present system would not necessarily result in better meeting the needs of the disadvantaged Black population. An element to keep in mind was that the existing infrastructure had been conceived and established to service only the needs of the White minority.

33. Concerning the mobilization of resources, participants agreed that the priority in the short term was to mobilize domestic resources, which were sizeable and, so far, not being fully utilized. Five per cent of South Africa's gross domestic product alone, an amount of approximately R 12 billion (between US$ 4 billion and US$ 5 billion), would help to alleviate short-term needs. A most useful task, therefore, would be to encourage the channelling of funds into sectors with financing requirements, particularly assisting to meet the basic needs of the disadvantaged population. Access to credit should be provided for those in need and for those who did not customarily get credit from established institutions. In the long term, and in the context of meeting the huge socio-economic needs of the population and a high growth, South Africa would need large amounts of external financing.

Capabilities of the United Nations system in technical cooperation

34. Participants reviewed the objectives, principles and methods of work of the United Nations system in technical cooperation. It was a broader activity than technical assistance since it included some financial participation by the recipient country. The United Nations system as a whole had always endeavoured to respond to changing requirements, as evidenced by the current process of internal reform, which would certainly affect technical cooperation. Since 1989, there have been clear guidelines about the importance of national priorities of recipient countries for programmes or projects of technical cooperation and the need to strengthen the national capacity to implement them, particularly through the utilization of national experts.

35. They had an extensive exchange of views on various issues of importance to a future South Africa-United Nations technical cooperation. The following views were particularly emphasized. The World Bank did not see the objectives of growth and redistribution as necessarily conflicting. All other things being equal, the meeting of objectives of redistribution and poverty alleviation would be easier on an upward curve rather than the contrary. Coordination of United Nations activities, including the role of the resident coordinator, the practice of the lead agency, and general policy guidelines of policy-making bodies, was a systematic effort. United Nations agencies had experience in working with non-governmental, grass-roots organizations as opposed to working only with central Governments, although the unique South African context would probably require an important effort of adaptation.

36. The Office of the United Nations High Commissioner for Refugees (UNHCR), the only United Nations body having a permanent presence in South Africa, provided a detailed account of its activities and experiences in repatriating 10,000 exiles and refugees to that country. Other United Nations agencies and offices also reported on their activities, programmes and plans in relation to South Africa. Thus, an extensive description was given of the capabilities of the United Nations agencies and offices in education and training, health, housing and the issue of employment. The issue of poverty alleviation was a major policy focus of the technical assistance of the United Nations, or a long-standing area of intervention for various individual agencies.

37. In the economic field, South Africa was facing critical challenges regarding its full reintegration into the international financial and trading system. Important issues in which the United Nations could assist were, among others, the role of multinational corporations in global markets, technology transfers, research and development; the role of an industrial property system in encouraging technological innovation; an investment code; the evolving rules of the multilateral trading system; and the emergence of regional and subregional trading blocks.

38. Other important areas of possible contribution by the United Nations were agriculture and land reform, public administration and training of public servants, and relief operations. It was also stated that, in addition to joining a number of covenants on human rights, as a matter of self-interest South Africa could also benefit from technical assistance in the development of an appropriate judicial and law enforcement system, which might have a positive impact on social and economic development.

Institutional framework for technical cooperation

39. The participants agreed that South Africa was in a complex process of transition at all levels. Concerning, particularly, the institutions dealing with development issues, it had to be recognized that there was a profound dualism in many aspects of the South African economy. For example, South Africa possessed sophisticated institutions, particularly in areas such as finance, but these institutions had not been effective in addressing the general socio-economic concerns of the people since they were designed, and

generally perceived, to sustain the apartheid system. On the other hand, there was the emergence of many grass-roots organizations, which enjoyed the confidence of the population but which, generally, lacked managerial or administrative skills. An important question was therefore the extent to which the United Nations system could assist in improving the institutional capacity and the administrative skills of those organizations.

40. The emerging institutional framework for the formulation and the implementation of development programmes was important at three levels:

(a) For the issue of consultation in development, various forums for discussions at the sectoral, regional and national levels had emerged. Important examples were the National Development Forum (NDF) and the National Economic Negotiating Forum (NENF);

(b) The issue of delivery was particularly important in a situation characterized by fragmentation, duplication of activities and lack of legitimacy of established institutions. A number of recently established associations, cooperatives and trust funds were examples of mechanisms to be supported because of their concept and design and the kind of products or services they offered to the communities;

(c) While recognizing the important responsibility of the State in funding development, there were other sources of finance and institutions that had attempted to facilitate the access to credit of most South Africans.

41. Those alternative structures and organizations would have to focus on: effective participation in the design and implementation of development projects; training and human resources development; enhanced development approach and long-term capacity; integrated approach between sectors; strategies for economic growth; and an assessment of differential impact of development programmes. Participants agreed that coordination and consultation would be imperative in ensuring that a new institutional framework was effective and functional. It was also agreed that access to development resources ought not be tied to political affiliation.

42. Many South African participants advised the United Nations agencies to exercise utmost caution in activities relating to South Africa. The political process in South Africa had not yet stabilized and some time would come before the situation was normalized. In these circumstances, exclusive contact or working relations of a United Nations agency with institutions that had no broad-based legitimacy, or might be subject to intense scrutiny in a new political environment, could be extremely damaging for the long-term relations between that agency and a new South Africa. Naturally, it was important for United Nations agencies to consult as widely as possible when they were undertaking their technical work. Community-based organizations, which had legitimacy, should be consulted and informed on projects of interest to them. Doing otherwise would eventually damage the viability of the project and its effectiveness.

43. The need for technical assistance had been expressed in the area of technical advice, human resources development, institutional capacity-building, relief operations, programmes and projects affecting structures, and policy formulation, for instance in such areas as industrial development, technological innovation, investment codes and subregional economic cooperation and integration.

Follow-up to the Seminar

44. Participants proposed that an inter-agency advisory team be established to act as the interface, or first link, between South Africans and the United Nations system. The members of that team would be selected according to the relation between their mandates, activities and the priority socio-economic needs identified by South Africans. It was suggested that, at an appropriate time, such an inter-agency team could be set up in, or move to, Johannesburg to conduct its activities there.

45. Participants also felt that the present Seminar had shown both its usefulness as a first contact and its limitations. As a result, they were of the view that a second similar meeting would be useful and that it should have a wider audience. In view of the pressing socio-economic problems such a meeting should identify broad and practical guidelines for future United Nations agencies planning to have technical cooperation activities in South Africa.

C. Closing meeting

46. At the closing meeting, on 24 May 1992, representatives of ANC and PAC made brief statements highlighting the value of the Seminar as a useful contribution in better defining the parameters of a future South Africa-United Nations cooperation.

47. The participants authorized the Rapporteur of the Special Committee against Apartheid to prepare the report of the Seminar and present it to the Special Committee.

48. Upon conclusion of the Seminar, its Chairman made an overall preliminary assessment of the discussions and evaluated them as positive and fruitful. The Seminar allowed the identification of broad points of reference, which would be useful in designing, organizing and implementing the future technical cooperation between South Africa and the United Nations. It showed the continuing relevance of the Special Committee to the changing situation in South Africa. The Special Committee was capable of serving as focal point of the United Nations for its relationship with South Africa before, during and after the establishment of an interim Government until the establishment of a democratic, and non-racial South Africa.

VI. CONCLUDING OBSERVATIONS

49. In particular, the Chairman of the Special Committee made the following observations:

(a) It was extremely important, from a political viewpoint, to address urgently and adequately the socio-economic needs of the disadvantaged population, and with resources commensurate with the seriousness of the situation. A particular group that would constitute an important challenge for a new Government was constituted by the "marginalized youth", which had to be given reason for hope in a new South Africa;

(b) Education, health, housing and job creation were among the top priority areas for action in the social and economic sectors. Those were areas where the human and social impact of apartheid had been particularly devastating, and which might in some cases require determined action and programmes over a large number of years to show significant results. While the issue of resources was important, it was not the only one. There was also the costly fragmentation of the State apparatus, the inappropriate delivery system and the mismatch of goods or services to the needs of the population;

(c) The economic and social sectors of South Africa required a profound restructuring and policy redirection, if sustained growth and genuine development were to come about and benefit the whole population;

(d) Actions to promote the interest of disadvantaged communities and to channel their grievances had emerged in recent years and promoted participatory development under the initiative of grass-roots organizations. Those organizations played an important role in sectors like education, health, housing and were also active in local, regional or national negotiating forums. They were vehicles of popular expression and needed to be consulted in matters that were intended to be of benefit to them;

(e) More generally, there was the need for a comprehensive national programme of redress, with strong elements of affirmative action, to tackle the glaring socio-economic imbalances created by apartheid. There was in particular, a need to promote the empowerment of Blacks through human resources development, in encouraging entrepreneurship and skills in management and administration;

(f) To meet socio-economic priorities and to promote sustained development, there was a need to design and implement a new development strategy that would promote simultaneously growth and redistribution. In particular, the industrial sector needed to be reoriented and strengthened along new patterns of specializations. All the effort of restructuring and policy formulation had to be done in consultation with the civic organizations which had a close interest in the policies being defined. Conversely, the ongoing restructuring by the present authorities, including privatization, was unilateral and entrenched privileges on the basis of the capacity to pay;

(g) A new development strategy had to be an integrated one and should address the three levels of competition and challenges for the economy: national, subregional and regional, and global. A better integration in the international trading and financial system had economic, financial and technological implications and must be worked out carefully;

(h) The future technical cooperation between South Africa and the United Nations system would be more demanding than in other cases on the issue of coordination of United Nations activities and the need to deal also with grass-roots organizations, rather than only with a centralized government;

(i) Similarly, questions of coordination were also raised for the South Africans. There are areas where the need for assistance had been expressed, namely technical advice, human resources development, institutional capacity-building, relief operations, programmes and projects affecting structures, and policy formulation, for instance in such areas as industrial development, technological innovation, investment codes and subregional economic cooperation and integration;

(j) The issue of mobilization of resources was an important one, although it was recognized that the first step in South Africa was to mobilize existing domestic resources, which were not fully utilized. In meeting the huge priority needs of its population and in the context of strong economic growth, South Africa would certainly require significant external finance;

(k) The participants recognized the value of the Seminar and were of the view that the dialogue should continue in a follow-up meeting on specific issues arising out of the discussions at the Seminar. It was agreed that a follow-up meeting would require concerted preparations also in South Africa.

50. Participants in the Seminar endorsed the Chairman's concluding observations by acclamation.

Notes

1/ Official Records of the General Assembly, Forty-sixth Session, Supplement No. 22 (A/46/22).

Annex I

STATEMENTS AT THE OPENING MEETING

A. Opening statement by Mr. Theo-Ben Gurirab, Minister for Foreign Affairs of the Republic of Namibia

May I first of all extend to you all a very warm welcome to the Republic of Namibia. We hope that we will be able to provide you with an environment conducive to the thorough consideration of the magnitude and seriousness of the socio-economic problems South Africa faces and which it will carry into a period, now beginning, of a South Africa liberated from the burden of the apartheid system.

More importantly, we hope that this meeting will provide an opportunity to look afresh at the United Nations readiness for the task ahead and to identify specific objectives and concrete projects which could be rapidly put into effect when the United Nations is invited to make its contribution.

South Africa, as it stands on the brink of its destiny, is both part of, and contributing to, a profound international ferment which heralds a new era with different global pressures, priorities and opportunities.

The emerging South Africa will need to fit into a global environment where there are greater demands on scarce resources, on investment capital and aid, coupled with a considerably greater tendency towards regional integration in trade as opposed to the general liberalization of trade envisaged in the Uruguay Round of the General Agreement on Tariffs and Trade (GATT).

For us this is a period of hope. Despite the scourge of continuing violence in parts of South Africa, there exists a process of seeking through negotiation, painful though it is at times, solutions which could set that country on the progressive road towards long-term peace, sustainable development and prosperity. We need only look at the tragedy of what is now happening in certain parts of Europe, Africa, Asia and other parts of the world to enhance our appreciation of the value to South Africa, and the region as a whole, of the CODESA process as it unfolds. Indeed, we salute our sisters and brothers in South Africa for the statesmanship, political maturity and wisdom which they demonstrate as they persist in their quest for a future South Africa of which they all could be truly proud.

The process of change in South Africa, which is only now beginning, will be long and will involve considerable social, political and economic changes. Constitutional change in itself will not defuse the social and economic time-bomb created by conditions so manifest in the townships and homelands all around South Africa. These conditions are the result of decades of oppression, neglect and irresponsible government and it will require massive efforts to alleviate these conditions.

The sheer scale of the social and economic problems that South Africa faces and the resources needed to tackle them successfully are formidable. Although endowed with considerable natural resources the extremes of poverty that afflicts a large portion of the population, the housing backlog, the inadequacies in the health services and the considerable resource inputs needed in the education sector mean that South Africa will need to explore increasingly innovative ideas in order to establish and maintain a process of development. The scarcity of available resources will necessitate a great deal of imaginative thinking in order to have any chance of producing a sustained and discernible improvement in the living standards of ordinary people.

The task is, of course, primarily in the hands of South Africans themselves who will need to involve the whole of their population in new and creative thinking in the development process. New ways and means of providing affordable services to all South Africans will need to be explored. It is encouraging to note how, when the country's resources were being wasted by the Government in its vain attempt to maintain the apartheid system, ordinary men and women were adapting curricula for basic technical and vocational training and education and were implementing innovative schemes for the delivery of services in health, education, electricity and water services and for the provision of housing.

This type of innovation on the part of South Africa calls for a response from the international community, which must readily give support to these efforts. This would necessitate the United Nations increasingly developing a flexibility and capacity to adapt in the way it operates so as to support these efforts better. It may at times mean greater readiness to operate on more decentralized programmes supporting simple but effective ideas aimed at improving the quality of life for millions of people who now live in abject poverty.

The recent phenomenon of moving towards regional trade groupings also has implications for southern Africa. It reinforces the need for us to explore together how we can help each other and in so doing help ourselves. There exists in our region enormous scope for regional cooperation, particularly in the integration of our industrial development and in the processing of our mineral output and other natural resources. The emergence of southern Africa, both South Africa itself and the rest of the region, from this tragic period in our history, calls for the innovative support of the United Nations system. Namibia will be hosting the summit meeting of the Southern African Development Coordination Conference (SADCC) in August 1992 where these and other issues will be debated with a view to mapping out new strategies and a plan of action.

The United Nations must generate a renewed vitality in responding to the emerging needs of South Africa and to a region for so long damaged by the divisions and destructiveness of the apartheid system.

It is all too easy to classify a country in the simplistic ways offered by the use of the per capita gross domestic product (GDP). The established manner of classifying countries as least developed or otherwise for the purpose of the disbursement of aid cries out for further review. This becomes particularly apparent in the case of South Africa, with a per capita GDP that places it in the category of a middle-income country. Many other social and economic indicators need to be taken more fully into account. When such large portions of the population live so patently in abject poverty, to subject them to the GDP per capita test for the population as a whole, simply makes them once again victims of their apartheid inheritance. We know it to be so because this legacy and dichotomy still prevails in Namibia as well.

The United Nations will be tested as nowhere before in its capacity to make any real impact in supporting the efforts now being made by South Africans. We, for our part, wish to join other members of the international community, SADCC and the Eastern and Southern African Preferential Trade Area (PTA) in making the efforts of the United Nations effective and successful.

We all know of the legacy of the past, characterized by hatred and division, which must be overcome. In closing I want to quote a respected Palestinian journalist, Mr. Hanna Sinjora, who said that "the only road - the one both sides in the conflict must travel together - is the road of dialogue, negotiation and mutual consensus. A compromise solution may not satisfy everyone on either side, but it will preserve the future for the next generations and will enable the peoples to begin the process of healing and rebuilding together. The participation of those who now fear that approach is as essential as that of those who already believe in it".

B. Keynote address by Mr. Ibrahim A. Gambari (Nigeria), Chairman of the Special Committee against Apartheid

May I thank the Minister for Foreign Affairs of the Republic of Namibia for his most inspiring welcome and opening address. I wish also to place on record, on behalf of the Special Committee against Apartheid, the agencies of the United Nations system represented here and on my own behalf, our profound thanks to His Excellency President Sam Nujoma, the Government and people of Namibia for hosting this important Seminar. We are also most appreciative of the warm hospitality that has been accorded us since our arrival here.

I believe that it is most befitting and proper that a United Nations Seminar that addresses the socio-economic problems of South Africa, is taking place here at Windhoek. Namibia is a nation with profound historical links with the United Nations. Equally, it is one of the few nations that has a first-hand grasp and knowledge of the destructive consequences of apartheid and the attendant socio-economic problems it has created. Consequently, we expect to benefit from Namibia's hosting of this Seminar, and from its experience on how best to analyse and grapple with socio-economic problems that are legacies of apartheid.

This Seminar is taking place at an interesting and crucial junction in South Africa's political history. In the past months, we have witnessed and welcomed various positive developments in that country. Even when we have been apprehensive about certain threatening developments - most notably the ongoing violence - we have remained optimistic that South Africa is on a fairly steady course to a non-racial democracy.

Naturally, there are reasons to be disappointed that CODESA II could not reach an agreement on a transitional government. None the less, the problems facing the country are so pressing and burning that there is, more than ever, the urgent need to establish a government that enjoys broad-based support and an undisputed legitimacy. But there are also good reasons to be optimistic, and if the international community and South Africans remain vigilant and maintain pressure on the South African authorities, there is the real possibility that we may soon witness the historical beginning of a true political transition in South Africa. I feel sure that I express the feelings of this distinguished audience, in stating that high hopes are placed on the next session of CODESA, which will take place towards the end of June.

As progress is made in addressing South Africa's political questions, the underlying socio-economic effects of apartheid in that country come more to the forefront. This is why we are here. This Seminar has its basis in our collective acknowledgement that, in spite of the repeal of key apartheid legislation, legacies of apartheid are still very much entrenched in existing public policies and structures of the State, both in the public and private sectors. Similarly, we must remain mindful, even as the ongoing negotiations continue, that efforts are being made by certain sectors of the South African Government, unilaterally, to restructure the economy and to privatize public goods, such as educational facilities and forestry. These are but a few areas; other different, subterranean efforts continue. Such an approach does not augur well for the interest of those already disenfranchised by apartheid. It seems clear that in order to build and to consolidate a stable and peaceful new South Africa, these socio-economic inequalities have to be redressed urgently.

This Seminar has been convened to allow South Africans involved in policy formulation, analysis and the planning process for a future South Africa to work and discuss these matters with representatives of organs and agencies of the United Nations family that potentially have a helpful role to play in a new South Africa. As you may recall, the General Assembly, in resolution 46/79 A, urged the Secretary-General "at the appropriate time, in the light of positive developments such as agreement on transitional arrangements, to expand, in a concerted manner, through the relevant United Nations offices and in collaboration with the specialized agencies, the scope of assistance provided inside South Africa aimed at addressing socio-economic issues, particularly in the areas of education, health, housing and social welfare, which may entail the physical presence of the United Nations system in that country".

I am convinced that each United Nations agency represented here is keenly aware of its prospective role. The Office of the United Nations High Commissioner for Refugees (UNHCR), already has first-hand experience in that regard and from what I have been able to glean from the background papers prepared by the other agencies, they are certainly all keenly alert to their future respective roles, and ready to make meaningful contributions when called upon to do so.

It is not my intention to pre-empt in any manner the discussions you are going to have, but I would like to share with you some of my thoughts about the importance of the objectives I just mentioned. Before proceeding to discuss these ideas, however, it is necessary to analyse the present state of the South African economy in general and its negative impact on the oppressed majority.

As is well known, the South African economy is characterized, on the one hand, by its poor growth record and thus its incapacity to create adequate employment opportunities for the population and, on the other hand, by its profound inequity in distributing the income generated, as well as, more generally, in its wealth distribution. On these two counts, the South African economy is afflicted by major structural and policy distortions.

In spite of some early optimistic forecasts, the South African economy has not yet fully recovered from the prolonged recession of the past years. Indeed, after a zero growth year in 1991 and a three-year recession which started in 1989, there are few signs of sustained recovery, amidst a world economy which is still weak. Recent data on investments, still on a downward trend, show that business confidence has not been restored. Furthermore, difficulties in agriculture owing to the current drought contributed to dampen early optimistic forecasts.

In fact, since the mid-1970s, South Africa's growth has been either small or negative, a situation widely labelled as "stagnation". It is not surprising, therefore, that unemployment and underemployment have reached such dramatic proportions, accounting for 30 to 40 per cent of the active population. The stagnation can be explained by many reasons and factors, and there have been extensive debates about it in South Africa. We will hear with great interest the view of the distinguished experts in this audience. Whatever the differences of opinion and analysis about the stagnation, there is a large consensus that apartheid has profoundly distorted the economy. This has to do with the fact that, for decades, the economy has been driven on the demand side by the needs and the purchasing power of a wealthy minority, inducing a peculiar pattern of imports and domestic production. On the other hand, the South African economy indulged in exporting raw or little-processed mineral commodities, or manufactures produced by cheap labour. All these explain why the economy has gradually been out of line of the main dynamic sectors of international trade, and that it is facing now a major restructuring task.

There have also been many policy mistakes which have further aggravated the bias inherent in the production structures: (a) the import substitution policy, which further distorted the production structures; (b) the major giant conglomerates of the South African economy did not undertake on time the appropriate industrial strategies, preferring to focus instead on financial and commercial operations; and (c) many aspects of macroeconomic policy, for example fiscal policy, have been conducted along racial lines, notwithstanding recent positive measures by the authorities.

While sanctions have clearly contributed to the positive changes in South Africa and to the launching of negotiations, it is clear that they affected the standards of living of the White minority, thus making extremely difficult the mere continuation of apartheid. It is also clear that sanctions have constrained the growth of the economy. It is estimated, for example, that the oil embargo cost around $2 billion per year. Let me recall here the appropriate context and the terms of the alternative for the economic and financial sanctions decided by the international community in 1986. The basic choice is not, and never has been between apartheid, possibly modified by a few reforms, on the one hand, and an economic situation, on the other hand. Such a fallacious choice is only proposed by those who are advocates of apartheid. In fact, the true choice is between apartheid and an apartheid-free society and this is why many South Africans accept the sanctions as the only way to promote peaceful changes. The quickest way to remove all the sanctions and restore confidence in the South African economy is to move rapidly towards the establishment of a transitional government and a new non-racial constitution. Only then will the South African society be in a position to undertake the major restructuring efforts required by its economy.

But the economy of South Africa faces also the sensitive problem of redistribution. This is another area of intense debate in South Africa and which is critical to its future. Indeed, it will be extremely difficult to undertake the profound structural changes needed by the economy without addressing the pressing socio-economic needs of the population and the glaring imbalances in the distribution of income, employment and wealth.

Having briefly analysed the state of the South African economy and its destructive consequences for the majority of the country's people, I wish to make three major observations that I consider relevant to the objectives of this Seminar.

First, I believe that it is of crucial importance for the international community to identify with the plight of Black people in South Africa, particularly to assist in changing those socio-economic conditions. In this sense, our Seminar can play an important role in identifying the most urgent priorities and the range of the socio-economic needs of the Black population, and the measures to address them.

It is bad enough for Black South Africans to be denied their civil rights; it is worse that they also have to face the most severe social and

economic hardship, while the White minority enjoys wealth, privilege and absolute political power. It cannot be stressed enough that apartheid never was, and never could be, considered a political system like others. It is not merely that the apartheid system had produced perverse social and economic imbalances in the society. By its nature, intents and purposes, apartheid differs completely from all other forms of organization of society in the sense that it is a totalitarian system of government, constructed around official racial discrimination, and encompassing all aspects of political, social, economic and private life. As we know, this system is based on the premise that the security and well-being of the White minority is strictly dependent on the economic dispossession of the Black majority and whatever official, constitutional, legal or modus operandi that was needed to maintain and promote that minority domination.

The socio-economic impact of apartheid is incalculable and, in many respects, is beyond description in mere words and statistics. The eminent participants in this meeting can attest to this. The scars of South African society are so deep, visible and intolerable that the healing process may take a long time. Apartheid is above all a human tragedy and an injustice of brutal proportions. The Black population of South Africa must have justice and the first step in that regard is to address urgently the most basic needs of the population. This Seminar can send a powerful message to the international community in putting in perspective the immense task facing a future Government in the areas of housing, health, education and training, employment and the eradication of mass poverty.

The various and momentous political changes of the last two years are certainly a reflection of the changing perceptions in the White community about their future security and well-being. At long last, it is understood that their freedom does not imply suppressing the freedom of the Black majority, that their economic well-being is not guaranteed by the dispossession of others and that their security is better assured by the security of all. We certainly have come a long way. Such a new spirit has led to the negotiations, in which the leaders speak to each other. But more needs to be done. From the genuine renunciation of White domination and confrontation, South African society should move decisively to healing and reconciliation. And it must be accepted that more will be achieved socially, economically, and culturally by all people cooperating together and constructing the building blocks of a new and wholesome South Africa.

But the first step in that process of nation-building is not only to renounce, once and for all, White domination, but to begin the process of addressing effectively, and with commensurate resources, the socio-economic needs and aspirations of the Black majority.

Secondly, there is an intense and lively debate in South Africa about the appropriate policy responses to these enormous socio-economic challenges. It will be most informative for all of us to hear our South African friends describe how they see these challenges being approached and their perceptions of emerging areas of agreement, and of persisting differences, in the policy

debates. While it is for the South Africans to reconcile their views and policy stances on these important matters, we are much encouraged by the quality of these debates and the democratic spirit in which they are taking place.

The international community is observing with great interest the positions advocated by the discussants, and it is my hope that the Seminar will have the opportunity to review in some detail the broad policy framework that is beginning to take shape in South Africa. In this context, may I take the liberty to make a few comments. The basic objective of all the participants in the debate on South Africa is the social and economic development of all the people of South Africa. While there will certainly be important measures to redress the glaring socio-economic imbalances, the main concern is not to promote conflict between the "haves" and the "have nots"; but rather, as I see it, to initiate a new equitable social and economic framework in which all South Africans will share freedom, seek prosperity and enjoy security.

Furthermore, the situation in South Africa is so unique in its complexity, scale and dimensions that the international community should not only be ready to assist, in whatever way is needed and possible, the process of political transition and democratization, but it should also be attentive to the social and economic realities as perceived by the South Africans themselves. The temptation should be avoided to impose extraneous and inflexible models. I strongly encourage the participants to pay particular attention to the innovative views expressed in respect of, for example, the institutional framework for channelling external assistance, and to encourage a constructive exchange of ideas on this issue.

Although the socio-economic imbalances constitute daunting challenges for any future Government, they also represent unique opportunities for constructing a future inspired by a genuinely inclusive spirit, as opposed to the exclusivity of apartheid; one based on mutual interests and benefits rather than one offering unilateral and one-sided advantages; a future that draws on a truly synergetic dynamism among all social components rather than on the apartheid-induced rigidity and stagnation of the social and economic system; in essence, a democratic society that will permit South Africa, and all her children, individually and collectively, to attain their full potential.

Thirdly, once you have identified the major socio-economic priorities and needs, and reviewed with the help of our South African friends the kinds of policy responses that they think are needed, there should be a follow-up exchange of views on what the United Nations system can contribute to the efforts of a new South Africa in addressing its socio-economic challenges. In this part of our Seminar, we will listen more to our friends and colleagues of the United Nations system. I do not intend to dwell at length on this aspect of the debate, which is the heart of the issues we are considering here. Suffice it for me to say, that the United Nations system has been preparing for prompt, effective and concerted action in support to South Africa, within

the context and the parameters defined by the relevant General Assembly resolutions.

It is important to note, as indeed has been stressed many times by the General Assembly, that the United Nations Secretary-General is entrusted by the General Assembly with the task of ensuring that the activities of the United Nations system are well coordinated and effective. It will be all the more important to pay careful attention to that aspect of the United Nations assistance as it is called upon to expand rapidly, as and when the criteria on the political situation and the negotiations set by the General Assembly are fulfilled. It is equally important to note that an essential contributing factor to the better coordination of external assistance, including United Nations assistance and bilateral assistance, is the capacity of the recipient country to agree on and define a sound development strategy, and to set in place national coordinating mechanisms that are supported and well understood by external donors. In this context, I await with great interest the outcome of your discussions on the most expedient arrangements for the mobilization of international resources.

It is often pointed out that South Africa has by far the best-developed infrastructure on the African continent. This is true. But it is also true that such infrastructures, long built to sustain and service only a fraction of the entire population, are about to come under a severe test with the necessary expansion of demands on it. Certainly - even from a layman's perceptions - South Africa's social welfare amenities as they presently exist cannot cope with the increased demands, if they are not augmented, and more importantly made accessible to all its citizens.

Therefore, as we set about our deliberations here, we must bear in mind that our objective is to help clarify how best the international community can assist South Africans domestically, as they rejoin the community of nations. And of course, we must not discount the importance of a peaceful and stable South Africa within the context of the southern African subregion. Whatever strategies we advance must take into account the geopolitical realities within this subregion.

C. Statement by Mr. Johan Nordenfelt, Representative of the Secretary-General and Director of the Centre against Apartheid

This Seminar takes place at a time when positive developments in South Africa hold out a hope that the apartheid system will come to an end in the relatively near future. The prospects of an agreed transitional arrangement being put in place in the next couple of months makes holding this Seminar now not only timely but necessary.

As the theme of this Seminar suggests, the United Nations system recognizes that it will have an important role to play. I think, too, there is a recognition that in South Africa a democracy movement has been developing

from which an institutional framework has emerged for popular participation in the process of economic restructuring. This is a feature that may have important implications both for development policy and for international assistance. The United Nations system recognizes that assistance to South Africa needs to be well thought through, against the background of those and other features that may be specific to South Africa, and that assistance will have to be well prepared and well coordinated.

South Africa's specific priorities after apartheid will have to be determined by South Africans. It seems clear, though, that key areas that have to be addressed with urgency concern redressing the socio-economic disadvantages that are a legacy of apartheid, restoring peace and stability in a country so long torn by violence, and ensuring a sustained economic growth process in which all South Africans can take part. In other words, a new government will be called upon to meet the pressing needs of the population as a matter of priority while it strives to identify new sources of growth, and put into place those policies that could capture opportunities for the benefit of the whole population.

This Seminar is basically technical in nature. It intends to bring South African experts involved in the study, planning or execution of future socio-economic development, together with representatives of various United Nations offices and agencies, and also of some other intergovernmental organizations, with well established competence and experience in technical cooperation and assistance in their respective areas. We hope that a future coordinated and expanded United Nations role in South Africa, as envisaged in General Assembly resolution 46/79 A, will derive some impetus from this Seminar. Your collective efforts here will constitute a guide of sorts in determining the parameters of United Nations participation in building a new South Africa. I trust, therefore, that the next three days will be marked by frank and insightful contributions from all.

D. Statement by Mr. Tebogo Mafole, Representative of the African National Congress of South Africa

Permit, at the very outset, to place on record our profound gratitude to the Special Committee against Apartheid as well the United Nations Centre against Apartheid for organizing this important event. Indeed, it is no exaggeration to say that the subject addressed by this meeting places in full relief the height of injustice inherent in South African society and therefore goes to the very heart of the conflict that has engulfed our country over the years.

The very timing of this Seminar could not have been more appropriate, coming as it does at the precise moment in history when our people are pondering the political options for a just constitutional dispensation which will not only address the glaring socio-economic inequalities resulting from apartheid, but will also lay the foundations for a socio-economic order that will guarantee stability and peace in our country and region.

We are therefore greatly indebted to the organizers for enabling us to participate in a process that will undoubtedly help to forge a meaningful partnership between our people in their various democratic structures and the United Nations, in eradicating these socio-economic ills.

We should also like to avail ourselves of the opportunity to register our deep-felt appreciation to the Government and people of Namibia for so graciously agreeing to host this meeting. The symbolism of Namibia as the venue for this meeting is highly revealing. Not only is there a commonality between this country and South Africa with regard to the devastation that apartheid has visited on their respective people, but it is also precisely in Namibia that we can clearly discern the successful outcome of international intervention for purposes of development as undertaken by the United Nations and its various organs or agencies. It is in this context that we from South Africa place a very high premium on the experiences of this country. We wish to take this opportunity to record our appreciation of the inspiring and warm words of welcome to us expressed by the Minister for Foreign Affairs of Namibia.

In the course of this Seminar, ANC will take the opportunity to enter the debate and intervene on the various aspects of the subject-matter of our meeting. In this regard, we shall attempt to analyse fully the nature and performance of the South African economy and how it impacts on the millions of our people as well as show the way forward as seen by us. For purposes of this presentation, we merely wish to underscore certain political realities of contemporary South Africa which must inform any meaningful intervention by South Africans themselves as well as by the international community, particularly the United Nations system.

It is a matter of historical record that the international community has taken the view that the normalization of its relations with South Africa would be determined by the progress made in the negotiations towards the eradication of apartheid and the creation of a democratic society. This strategy of phased application of sanctions has found expression in the decisions of the last summit meeting of the Commonwealth countries, in General Assembly resolution 46/79, in the communiqué issued by the Ad Hoc Committee of the Organization of African Unity (OAU) in Arusha, United Republic of Tanzania, on 28 April 1992, as well as in the statement of the Ministerial Meeting of the Movement of Non-Aligned Countries which was held at Bali, Indonesia, on 15 and 16 May 1992. It is, therefore, not by accident that all these intergovernmental organizations, and more, sent delegations to observe the proceedings of CODESA, which was held on 15 and 16 May 1992.

It is common knowledge that whilst agreements were reached at CODESA on a number of important issues, there was no agreement on the all-important question of the constitution-making mechanism. Agreement on this issue would have made it possible to put in place the first phase of an interim Government in South Africa, which would oversee the transition to a new constitutional order. The emplacement of the interim Government would, by international consensus result, inter alia, in the ability of the United Nations bodies to

intervene directly in addressing the socio-economic problems currently under discussion.

It has to be stated for the record that the failure of CODESA to take the negotiations process forward was a direct consequence of the obstructive attitude of the South African regime. The regime presented four major obstacles, and these are:

(a) The unacceptably high percentages for the drafting of the new constitution. This in essence meant that the regime sought to grant the minority the right to impose a veto on the decisions of the majority;

(b) The regime insisted that the boundaries, powers, functions and structures of regions be entrenched in the interim constitution and that the elected body charged with the task of drafting the constitution be unable to change this position;

(c) The regime called for the creation of an unelected chamber of parliament, the senate, which will have the right to veto the decision of the elected constitution-making body;

(d) The regime insisted that the interim constitution, a mechanism to ensure continuity during the transition period, becomes a permanent feature.

ANC and its allies, which had, in the course of negotiations, demonstrated an ability and readiness to compromise, clearly could not accept these positions presented by the regime. The conduct of the South African regime at CODESA has, therefore, thrown into serious question the regime's bona fides in the entire negotiation process.

Furthermore, the mounting evidence of the complicity of the regime's security apparatus in the ongoing political violence that has ravaged our communities across the country and has resulted in an enormous loss of lives, reinforces the notion that the regime, in spite of its protests to the contrary, definitely has a double agenda. How else can one interpret the recent revelations that high-ranking officers in the security services actually issued orders for the assassination of political activists.

The report of the Pickard Commission, whose findings were recently made public, revealed that billions of rand have disappeared because of alarming levels of corruption and mismanagement. Against this background, the insistence by the regime that a lengthy transition period would ensure continuity and good governance has a somewhat hollow ring.

All of this can only lead one to the inescapable conclusion that South Africa is going through a serious crisis and that the only way it can emerge from this crisis is by transforming itself into a non-racial democracy. Our call for an interim Government, therefore, assumes a great sense of urgency and needs maximum support from peace-loving people the world over. It is the only way in which the current problems we are facing can be effectively addressed.

It must also be stated that the establishment of a democratic order in South Africa is an important, but not the only, effort required to ensure stability and peace in our country and the region. Indeed, the economic transformation and reordering of our country has become an urgent necessity in order to address the miserable plight of the millions of our people. Urgent measures are required to respond to the grinding poverty affecting our people - a poverty that has been exacerbated by a devastating drought that is threatening to transform the rural areas in our country into famine zones.

In an effort to provide solutions to these problems, ANC advocates an economic policy that is designed to create a vibrant economy which is aimed at the following:

(a) The elimination of poverty and the extreme inequalities generated by the apartheid system;

(b) The achievement of high employment and maximum participation in economic activity by all;

(c) Improving the quality of life, especially of the poor and disadvantaged;

(d) The development of a prosperous regional economy in southern Africa based on the principles of equality and mutual benefits.

We remain confident that all these objectives are attainable given the political will and resourcefulness of our people. We do however recognize that the United Nations family possesses a wealth of experience in both expertise and resource, which if utilized in South Africa, could greatly enhance our capacity to realize the developmental goals that we have set for ourselves and our country with greater speed.

It is in this spirit that we welcome the convening of this Seminar. We are convinced that the deliberations of the coming days will result in the realization of the stated objectives of this Seminar and that, more than it being a mere forum of analysis, our meeting will make a meaningful contribution in preparing for future assistance of the United Nations system in addressing our socio-economic problems.

ANC, for its part, will spare no effort in ensuring that it carries out its historic mission of routing out apartheid and creating in its place, a non-racial democratic South Africa which will guarantee opportunities for all.

E. Statement by Mr. Sipho Shabalala, Representative of the Pan Africanist Congress of Azania

The degree, extent and quality of socio-economic development in any country is the critical measure of the quality of human life, degree of human development and the essence and meaningfulness of democracy.

The key to the above achievement is the access to productive economic resources; access to opportunity to acquire skills; and the democratic participation of the people in their socio-economic development effort.

Accordingly, the redistribution of resources and economic growth should be an integrated strategic focus for our country.

Rationale and justification for the redistribution of resources

South Africa has and is characterized by the concentration of political power (political resource or resource in a political category) to the White minority at all the levels of the State and within individual economic corporations. The concentration of political power is in a symbiotic relationship with the concentration of economic power. The existing concentrated ownership of productive and social consumption resources by a small section of the society is an impediment to the democratization process in the country; provides fertile ground for social and political conflicts between the haves and the have-nots; retards economic growth and efficiency, etc.

The existing extreme economic inequalities were brought about by specific political, legal, regulatory and supportive market forces. Through time, these extreme economic inequalities have been reproducing themselves. A progressive economic policy should, therefore, address both the "flows" and "stocks" of economic inequalities in this country. There is a need to emphasize that the present inequalities were not brought about by market forces alone and, therefore, cannot be reversed or eliminated by these forces on their own. The objective for the redistribution of resources should be a deliberate intervention by the State and individual corporations to correct the ills associated with the above inequalities.

Redistribution focus

In PAC, we conceptualize the redistribution of resources and economic development as not being mutually exclusive. Inclusive in our quest for the redistribution of wealth and resources are means for immediate social consumption and means for wealth and resource creation. Human consumption (nutrition, housing, safe and clean water, quality sanitation, health, literacy and education, etc.) and access to acquisition of skills, land, capital, employment - including self-employment markets - appropriate institutional forms, etc. are all inclusive in our concept, meaning and objects for distribution. Earlier, we included political power, power of organizations as resources to be subjected to redistribution.

The redistribution focus should, in summary, be as follows:

(a) The redistribution of resources for social consumption, such as housing, health facilities and services, nutrition; infrastructural development (roads, communications means, transport, etc.); rural, semi-rural and urban electrification; provision of clean water and quality sanitation for

marginalized African communities, etc. The emphasis here is alleviation of poverty;

(b) The economically marginalized to be provided access to productive resources in economic terms (land, finance capital, credit, technology, economic organizations, etc.);

One of the critical indicators of human development in our country should be represented by an increasing number of the African people participating in economic activities, not as objects of economic growth but as principal creators of wealth, and decision makers in the mobilization and allocation of economic resources for different uses and for different generations;

The above redistribution strategy should not be merely welfarist. It must redress inequalities with respect to social consumption and must promote the economic participation of the African people as creators of wealth rather than mere consumers and employees;

(c) On the political and constitutional transformation front, the negotiation process must be democratic and democratizing. The end result of this process should be the effective transfer of political power (redistribution of political power as a resource) from a minority to the people: the African people. It should be remembered that, for PAC, to be an African is not foreclosed or precluded by indigenity. One can and will be an African by self-identification as such, by loyalty to a new African State and readiness to identify himself/herself with the aspirations of all the Africans, and be ready to share with fellow Africans political and economic power. The onus is precisely on an individual;

(d) Within individual economic and non-economic institutions, the empowerment of all the participants (employees, managers, members, etc.) directly and/or representatively, in the occupation of positions of power, control and influence in the critical decision-making structures and processes.

The above redistribution focus will, in summary form, take the following specific forms:

(a) Equity-denominated wealth and resources, and decision-making powers within business organizations in the private sector will be redistributed to workers and African potential and actual managers. In addition, corporate ownership (equity-denominated wealth) will be spread to new outsiders as represented by institutional funds (pensions, social security contributions, life assurance contributions, etc.) from the currently disadvantaged African people or the individual members of the African community;

(b) Human resources development and training programmes to ensure African advancement to senior positions and to ensure productivity and the opportunity to earn higher income will be integral parts of the redistribution focus. Private business firms and State enterprises to contribute to their employees' (and their dependants') housing, education, health, insurance and recreation needs;

(c) The provision and access to productive economic resources to the currently disadvantaged potential and actual entrepreneurs to help them to possess or develop chips, capacity and to exploit opportunities so as to be creators of wealth and resources using different appropriate ownership and economic organizational forms. Within this focus there will be a need for land redistribution to smaller African producers (usually more efficient) and massive investment in land (soil) reclamation and reversal of land degradation.

It is important to remember that the economic system and its operations are means to satisfy needs for human development. So is technology. Principally human development must focus on the enhancement or enrichment of human capabilities (skills, knowledge and attitudes) and the utilization of such capabilities in productive, leisure and cultural activities.

Essentially, human development is self- and group-directed to meet self- and group-development needs. Innovative and creative participation of the people in their development is critical.

Community-based development projects and programmes should represent self-development efforts of community members in rural, semi-rural and urban areas.

Critical paradigms for industrialization strategy

Socio-economic development needs should be the driving force behind any industrialization strategy for the future of our country. PAC's justification and legitimizing paradigms for future industrialization strategy can be given as follows:

(a) Economic development and growth that are achieved concurrently with the marginalization of the majority of the African people from economic participation as creators of wealth and decision makers with respect to the mobilization and allocation of resources must be avoided;

(b) The challenge that faces economic policy formulation in our country is the requirement to balance redistribution (equality consideration) of means of social consumption and production with the necessity for accumulation process of the economy and economic development that does not marginalize any of the members of our society;

The political, social and economic cost of failing to strike the above balance is too high to be sacrificed in pursuit of maximizing, say, short-term returns to investors. Both short-term and long-term consideration need special and specific attention;

(c) It is important to remember that the link between economic growth and human progress is not automatic. Furthermore, we should emphasize that economic growth should be managed and distributed for the benefit of the people;

(d) Any industrialization strategy should be generative of employment opportunities within the available skills profiles of the country. It should enhance human capabilities (skills, knowledge, attitudes) and the provision of opportunities for the creative innovative utilization of these capabilities for productive, cultural activities.

Industrialization goals

To operationalize the above values the following industrialization goals are considered important:

(a) To bring about a restructured economy in terms of:

(i) The emphasis on the increasing development of secondary and tertiary based or internally competitive high technology and information based production processes;

(ii) The redistribution of means and access to productive economic resources to the majority of the past and currently marginalized people;

(iii) The creation of the conditions that create the effective domestic demand for producer offerings;

(iv) The utilization of optimum (a dynamic optimum) capital-labour technology combination promotive to the most cost-effective production requirements and competitiveness of end products;

(b) To bring about social, economic and political stability in the country;

(c) To place the country owner strategically in areas of economic and technology development in Africa and to place the country as an effective competitor in the markets of industrialized countries.

Concluding remarks

We have maintained in our economic policy documents that freeing people from slavery and not providing them with the means for being their masters, the means, opportunity, etc. to be fully participant in all affairs of their society is meaningless, hypocritical, genocidal and callous.

Thus, we see or perceive the role of the United Nations agencies as that of providing our African people with the means and skills to be their developers socially and economically. With respect to technical expertise we would like to request the United Nations agencies to make use of our local expertise. This will ensure the relevance and continuity of all the programmes and projects to be embarked upon.

In PAC, we struggle to bring about sovereignty of our people in the political and constitutional structures of their society. We also struggle to empower our people to have sovereignty over their socio-economic development.

Annex II

LIST OF PARTICIPANTS

I. UNITED NATIONS MEMBER STATES

A. Representatives of the Host Government (Namibia)

Mr. Theo-Ben Gurirab, Minister for Foreign Affairs
Mr. Andreas Guibeb, Permanent Secretary
Ms. Monica Nashandi, Under-Secretary for Political and Economic Affairs

B. Special Committee against Apartheid

1. Delegation (New York)

Mr. Ibrahim A. Gambari, Chairman (Nigeria)
Mr. Suresh K. Goel, Rapporteur (India)
Ms. Chipo Zindoga (Zimbabwe)
Mr. Soufiane Mimouni (Algeria)
Mr. Muntari A. Kaita (Nigeria)

2. Other members (Windhoek)

Mr. E. A. Aina (Nigeria)
Mr. Obi Egbunike (Nigeria)
Mr. A. M. Elamien (Sudan)
Mr. Chris Kpodo (Ghana)
Mr. Martin Makururu (Zimbabwe)
Mr. Shiv Shankar Mukherjee (India)
Mr. Y. O. Obanewo (Nigeria)

3. Observers

(a) African National Congress of South Africa

Mr. Ketan Gordhan
Mr. Tebogo Mafole
Mr. Shaheed Mirza Rajie

(b) Pan Africanist Congress of Azania

Dr. Selva Saman
Dr. Sipho Shabalala

II. REPRESENTATIVE OF THE SECRETARY-GENERAL

Mr. Johan Nordenfelt, Director
United Nations Centre against Apartheid

III. SOUTH AFRICAN AND OTHER EXPERTS

1. Ms. Renee Alberts
2. Mr. Julian Baskin
3. Mr. Moss Chikane
4. Mr. Alec Erwin
5. Mr. Enoch Godongwana (COSATU)
6. Dr. Champaklal Jinabhai
7. Mr. Warren Krafchik
8. Mr. Andre La Grange
9. Dr. Jonathan Leape
10. Prof. David Lewis
11. Mr. Zolile Makaba
12. Mr. Salie Manie (COSATU)
13. Mr. James Maseko
14. Ms. Zanele Mbeki
15. Mr. Eric Molobi
16. Mr. Jayendra Naidoo
17. Dr. Vishnu Padayachee
18. Mr. Vincent Phaahla
19. Ms. Kate Philip
20. Mr. Robert Tucker
21. Mr. Jan Van Eck
22. Dr. Ben Van Rensburg
23. Mr. Francis Wilson
24. Ms. Joanne Yawitch

IV. SPECIALIZED AGENCIES AND OTHER UNITED NATIONS BODIES

1. Mr. Richard Acquaah-Harrison
   Senior Human Settlements Adviser
   United Nations Centre for Human Settlements

2. Mr. O. S. Ahmed
   Representative in Namibia
   Food and Agriculture Organization of the United Nations

3. Ms. Ngozi M. Awa
   United Nations Development Programme

4. Prof. C. Cambridge
   Senior Research and Programme Development Officer
   International Labour Office

5. Mr. Bouna Semou Diouf
Director, External Relations Division
International Fund for Agricultural Development

6. Dr. Z. M. Dlamini
Representative in Namibia
World Health Organization

7. Mr. Kolude Doherty
Chief, Inter-Organization Cooperation Section
Office of the United Nations High Commissioner for Refugees

8. Mr. Jan Fikus
Senior Training Adviser
International Labour Office

9. Ms. Line Gery-Pochon
Regional Director
United Nations Industrial Development Organization

10. Mrs. Neela Ghai
Secretary, Ad Hoc Working Group of Experts
on Southern Africa, Centre for Human Rights
United Nations Office at Geneva

11. Mr. Zahir Jamal
Senior Programme Officer
World Intellectual Property Organization

12. Dr. Mam Biram Joof
Education Adviser for Namibia
United Nations Educational, Scientific and Cultural
Organization

13. Ms. Scholastica Kimaryo
Senior Programme Officer for South Africa
United Nations Children's Fund

14. Ms. Else Kornerup
Area Officer, Division for Southern Africa
United Nations Development Programme

15. Ms. Angela Masithela
Officer-in-Charge of the United Nations Educational and Training
Programme for Southern Africa
Fellowships Service
Department of Economic and Social Development
United Nations

16. Mr. David McAdams
Office for Project Services Project Coordinator
United Nations Development Programme

17. Mr. Thomas McCarthy
Senior Adviser, Centre for Human Rights
United Nations Office at Geneva

18. Mr. Isaac Minta
Interregional Adviser
Department of Economic and Social Development
United Nations

19. Mr. Alun Morris
Coordinator, South Africa Programme
World Bank

20. Mr. David Morton
Area Director Southern Africa
World Food Programme

21. Mr. Edward Moyo
Representative in Namibia
United Nations Educational, Scientific and Cultural Organization

22. Mr. Joseph Mungai
Chief of External Relations
United Nations Centre for Human Settlements

23. Mr. M. M. Musa
United Nations Educational, Scientific and Cultural Organization

24. Mr. J. B. Musoke
Country Director
United Nations Population Fund

25. Mr. D. W. M. Mzumara
Officer-in-Charge, Multinational Programming and Operational Centres
Economic Commission for Africa

26. Mr. A. Lamine N'Diaye
Director, Africa Division
United Nations Population Fund

27. Mrs. F. Okaya
Liaison Officer
Office of the United Nations High Commissioner for Refugees

28. Dr. Vincent Orinda
Project Officer, Primary Health Care
United Nations Children's Fund

29. Mr. Neville Rubin
Senior Officer
International Labour Office

30. Dr. A. Tekle
Director, Division of Emergency Relief Operations
World Health Organization

31. Mr. Auret Van Heerden
International Labour Office

32. Mr. E. G. Webster
Technical Officer, National Health Systems and Policies
World Health Organization

33. Mr. Helmut Weyers
African Regional Director
United Nations Volunteers

34. Mr. G. E. Williams
Interregional Adviser, Division for Economic Cooperation Among Developing Countries
United Nations Conference on Trade and Development

V. INTERGOVERNMENTAL ORGANIZATIONS

1. Dr. Alieu Jeng
Senior Economist
African Development Bank

2. Dr. Mohan Kaul
Director, Fellowships and Training and Management Development Programmes
Commonwealth Secretariat

3. Mr. Timothy Sheehy
Head, Pretoria Office
Commission of the European Communities

VI. UNITED NATIONS STAFF

A. United Nations Development Programme Office, Windhoek

Mr. Fidele Dionou
Resident Representative, a.i.

Mr. Finn Reske-Nielsen
Assistant Resident Representative (Programme)

Ms. Catherine Mariano
Assistant Resident Representative (Administration)

Ms. Annemarie Eggimann
Administrative Assistant

Ms. Ingrid Kazimbu, Secretary

Ms. Marcia Mloki, Secretary

B. Secretariat

1. Centre against Apartheid

Mr. Tesfaye Tadesse
Secretary, Special Committee against Apartheid

Mr. Carl Rakotondrainibe
Special Economic Adviser
United Nations Conference on Trade and Development

Mr. Detlef Wilke
Assistant Secretary, Special Committee against Apartheid

Mr. Oseloka Obaze
Political Affairs Officer

Ms. Bina Bastedo, Meeting Services Assistant

Ms. Jean Salvador, Meeting Services Assistant

2. Department of Public Information

Mr. Motlatsi Motsoasele
Information Officer

Annex III

LIST OF DOCUMENTS

1. A Brief on the Objectives, Policies, Activities and Plans of the Economic Commission for Africa in Relation to South Africa

2. A COSATU View on Job Creation

3. Activities Under the WIPO Permanent Programme for Development Cooperation Related to Industrial Property With Countries in Africa in the Year 1990

4. Agriculture and the Rural Economy in South Africa, World Bank

5. A Possible Household Electrification Programme in South Africa, World Bank

6. A Strategy for Human Development in African Communities, UNV (brochure)

7. Briefing on the Health Situation in South Africa

8. Cities In Conflict: The Urban Sector in South Africa, World Bank

9. Economic Work Programme in South Africa, World Bank

10. European NGOs Providing Resources for Development and Social Justice in South Africa

11. Food Aid Works (brochure)

12. General Background Note - An Overview of the United Nations System and Technical Cooperation for Development; and addendum 1

13. Human Rights Fact Sheets Series (brochures)

    No. 1 - Human Rights Machinery
    No. 2 - The International Bill of Human Rights
    No. 3 - Advisory Services and Technical Assistance in the Field of Human Rights
    No. 5 - Programme of Action for the Second Decade to Combat Racism and Racial Discrimination
    No. 6 - Enforced or Involuntary Disappearances
    No. 7 - Communications Procedures
    No. 8 - World Public Information Campaign for Human Rights
    No. 9 - The Rights of Indigenous Peoples
    No. 14 - Contemporary Forms of Slavery
    No. 16 - The Committee on Economic, Social and Cultural Rights

14. IFAD Perspectives on the Direction of Possible Activities in South Africa

15. Information Note on the Technical Assistance of the United Nations System, UNDP

16. Mobilization of Financial Resources for Future Assistance to South Africa, UNDP

17. Participation in the Seminar on South Africa's Socio-Economic Problems (Namibia, 22-24 May 1992), UNIDO

18. People Helping People, UNV (brochure)

19. Political, historical, economic, social and cultural factors contributing to racism, racial discrimination and apartheid, United Nations Centre for Human Rights (brochure)

20. Report of the Third UNV Intergovernmental Meeting, Kathmandu, Nepal, 1-6 December 1991 (brochure)

21. Republic of South Africa - Emerging Issues in Education, World Bank

22. Second Decade to Combat Racism and Racial Discrimination: Global compilation of national legislation against racial discrimination, Centre for Human Rights (brochure)

23. Small- and Medium-Scale Black Business Development, World Bank

24. Socio-Economic Inequalities and Priorities for Development by E. Molobi

25. Special Report of the Director-General on the Application of the Declaration Concerning Action against Apartheid in South Africa, International Labour Conference, 79th Session 1992, Geneva

26. Strengthening Self-Help Activities at the Grassroots Level, UNV

27. The African Charter on Human and Peoples' Rights, Centre for Human Rights (brochure)

28. The Appropriate Use of Volunteers in Development, UNV (brochure)

29. The Conservation and Rehabilitation of African Lands, FAO (brochure)

30. The Debate on Economic Development Policy in South Africa, by David Lewis

31. The Department of Economic and Social Development

32. The Institutional Framework for Implementation of United Nations Programmes in the Interim Period in South Africa, by Khehla Shubane and Kate Philip

33. The International Labour Organisation

34. The Potential of the United Nations Volunteers in Reinforcing United Nations System Interventions and Addressing Directly Socio-Economic Problems

35. The State of the World's Children 1992, UNICEF

36. The United Nations Educational and Training Programme for Southern Africa: An Update

37. Training Needs for South Africa in Transition, April 1992, World Bank

38. UNCHS (HABITAT's) Policies, Experience and Activities - Housing and Poverty Alleviation

39. UNCTAD: What it is, and how it could cooperate in a post-apartheid South Africa

40. UNESCO's Activities and Prospects for Future Assistance Aimed at the Building of an Apartheid Free Society, with Focus on Education, Training and Poverty Alleviation

41. UNHCR Experiences in the Implementation of the South African Repatriation Operation

42. UNICEF: What It Is and Does, How It Works and Its Future Objectives Towards Assisting Children and Women in South Africa

43. United Nations Population Fund (brochure)
Uprooting Poverty in South Africa, by Francis Wilson and Mamphela Ramphele (brochure)

44. UNV at a glance - the key statistics (brochure)

45. UNV SPECTRUM, March 1992 (brochure)

46. WHO Involvement in South Africa